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SUBJECT: GRENADA WEEKLY ACTIVITY REPORT FOR OCTOBER 19 - 25, 2008

1. Embassy Grenada's weekly report (GWAR) provides a little detail about events of interest that do not merit longer reporting at this time.

2. Begin GWAR text:

a. Caribbean Financial Action Task Force visits Grenada

According to the Prime Minister's Office, Prime Minister Tillman Thomas told visiting members of the Caribbean Financial Action Task Force (CFATF) that his government is determined to restore Grenada's image in the international financial arena. The Prime Minister said the GOG is determined to take advantage of the benefits offered by the offshore sector through legitimate businesses.

The CFATF team is in Grenada to conduct the country's Mutual Evaluation Review which will determine Grenada's compliance with the regime for Anti-Money Laundering and Combating terrorism as mandated by the FATF.

b. Grenada and India Sign Agreement

The Governments of Grenada (GOG) and India (GOI) signed an agreement in which the GOI agrees to provide to the GOG a grant of US\$900,000 to be used to set up an information and communications technology center for excellence and innovations (CEI) in Grenada. The Minister for Foreign Affairs said that the CEI will have a state of the art data center, and an IT center and virtual reality lab. He added that the GOG recognizes ICT training as one of the key areas in developing skilled labor force and knowledge based society.

c. Grenada Signs EPA

Grenada and other member states of the Caribbean Forum of African Caribbean and Pacific (ACP) states (CARIFORUM) and the European Community (EC) signed the CARIFORUM-European Community Economic Partnership Agreement in Barbados this month. This new WTO-compatible trade agreement, which was initialed on December 16 2007, is expected to stimulate the sustainable development of CARIFORUM economies by helping CARIFORUM export more and thereby increase business opportunities, employment, and economic growth. Only Haiti and Guyana did not sign at the meeting.

d. Gasoline prices go up in Grenada

Gasoline prices in Grenada jumped several dollars to just over US\$6.00. The GOG controls the price of gasoline at the pump using a complex mechanism that must be reviewed and adjusted every eight weeks. However, the price had not been changed since May 2008, leading to increased debt to the gasoline suppliers that must now be paid to prevent them pulling out of the market. The government found itself in the uncomfortable position of increasing prices at a time when the cost of oil is falling and having to explain why to a disgruntled public. The cost of cooking gas was not increased.

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